

Paul refuses to participate in "immoral" pension system Says fewer perks for congress will limit terms of politicians, save taxpayers money

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WASHINGTON, DC - US Representative Ron Paul (R-TX) today reaffirmed his opposition to what he calls the "immoral" congressional pension system by refusing to participate in it. While serving in Congress from 1976 to 1984, Paul chose not to participate in the system, despite a taxpayer-funded pay-out which is more lucrative than any private system. He said high-dollar perks like the pension are areas that could be safely cut immediately, without hurting a single American taxpayer.

"The situation is even worse today than it was before," Paul said. "When I served in the late '70s and early '80s, the congressman had to actually write a letter to enter the program, I simply chose not to sign-up. Today, however, everyone is automatically placed in the system and house members are required to write a letter requesting that they not be included in the program."

After five years of service, a Member of Congress becomes vested in the system, with pay-off beginning at age 62, or pay-off begins at any age after 25 years of service. The five years can be either all in Congress, or added with other federal service, such as time in the military. If someone had 26 years of service, and depending on which of two systems they were under, a Member of Congress leaving office in 1994 could expect a yearly pension of between \$52,800 and \$86,000.

"This is one reason why so many politicians stay in Washington so long: they get a better

retirement plan from the government than they could ever get from an honest job back home. We need to cut perks like this pension system completely; it is immoral that someone spend so much time in Congress that they even should think about getting retirement benefits. And then to expect those benefits to be paid by taxpayers at rates no citizen can ever hope to actually earn is even more unreasonable," said Paul. "There is a lot of talk about term limits, which I completely support, but if we are to seriously reform Congress, and return it to being a 'citizen-legislature,' then we must address these issues. Even the most strict term limits package currently being bandied about restricts members to six years in office, which of course vests them in the retirement system."

The Sufside, Texas, physician said that during a time when Congress is discussing ways to balance the budget and cut taxes, "a good place to start is right here on Capitol Hill, where we can help the taxpayers by not enriching ourselves at their expense."

"Members of Congress are elected by the people to handle the affairs of this nation in a responsible, efficient manner, not to enrich themselves for a lifetime," he said. "To participate in a pension plan at taxpayers expense would for me be hypocritical and immoral. I hope everyone in the 105th Congress will do as I have done: reject the pension and prepare for retirement without burdening the taxpayers for decades to come. To do any less is to perpetuate what is at it's most basic level an arrogant insult to the people we were elected to represent."